

5 January 1962

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Aide Memoire
Talk with ~~SECRET~~ Executive Secretary
Subcommittee on Electronics and Telecommunications

This is one of the most active subcommittees of the EIC. Its productive record, however, is mainly owing to the efforts of the CIA and NSA members. The military representatives on the subcommittee participate infrequently, and their future absorption into DIA will probably have no deleterious effects. It may even improve the situation because the present military members of the subcommittee probably will not be in attendance at meetings unless there is a genuine need for their particular technical knowledge. As it is now, the military members are more often than not disconcertingly passive and uninterested. Their absence at such times would be greatly appreciated.

The subcommittee has a problem that involves security and clearance. The Commerce, State, and USIA members do not have special clearance which excludes them from a majority of the meetings. This exclusion from the more intimate family discussions produces in them an indifference to problems that do concern them, such as those having to do with COCOM. This situation seems to be unavoidable and can only be made bearable by the application of finesse and tact on the part of the subcommittee Chairman.

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25X1A9a Aide Memoire
Talk with [REDACTED] on the Work of the Subcommittee
on General Economic Analysis

25X1A9a [REDACTED] votes in favor of the continuation of his subcommittee. This he does for two reasons. The first is because of the subcommittee's opportunity, if not obligation, to review external research projects. The other important subcommittee function is to pool its information and use this to advise the Exchange Committee on the net advantages or disadvantages of certain Soviet-US proposals.

25X1A9a The [REDACTED] view of his subcommittee's value, despite its infrequent activity, is shared by all the other Chairmen* who call only an occasional meeting of their subcommittees. The review of external research projects, they believe, can best be handled by an interdepartmental committee. Such a group lends at least the appearance of greater objectivity than can be obtained in a single agency. A community opinion about a particular research project is designed to prevent the cry of "self-interest and parochialism."

* Mr. Oakley is the exception.

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Note to the consumer:

If you want this series continued, I can pursue the other subcommittee moguls to their hideouts but I don't want to waste your time with a lot of Old Hat, vintage 1953.

After talking with about half of the subcommittees, I think it's possible to arrive at conclusions that would remain unchanged even after a more thorough canvas of the field. In the first place there is no desire for the dissolution of any of the subcommittees* and even the inactive ones think they serve a useful purpose. Secondly, the establishment and development of DIA with its imminent absorption of military committee members causes no dismay. In fact it is welcomed by most CIA personnel. Of course this may be owing to an ignorance of what is going to happen but it's refreshing to observe such confidence in the future, no matter what really lies over the horizon. Thirdly, there was evident an acute awareness of the drastic reduction in State's competence and depth in economic intelligence. This has affected some of the subcommittees as well as the Working Group on Sino-Soviet Bloc Economic Activities. Fourthly, the practice of awarding the Chairmanship to a non-CIA member seems to stimulate interest, and two of the most active of the EIC subcommittees attest to that (Transportation and Electronics and Telecommunications).

Despite this disposition to vote in favor of keeping the EIC structure as it is, it seems to me there has been in some of the subcommittees a reduction in activity. This would appear to be inevitable in the light of a greater burden being placed on CIA for economic intelligence. If a 1962 survey of professional personnel engaged in economic intelligence were made, as it has been in some previous years, it would certainly reveal a further lessening of competence outside CIA in economic intelligence. The effect on subcommittee work is obvious.

The consensus of those interviewed was that the present work of the various components of the EIC could be done more efficiently by a single agency but not as satisfactorily. I found no evidence that the CIA personnel want to go it alone to any greater extent than they do now. Our record for getting out Biweeklies and Semiannuals with maximum despatch was commented on, and I heard none of the usual complaints about the obstructionism and delays of Committee life. No one told me that a camel is a horse that has been put together by a Committee.

* P.S.: The only exception to these general remarks is Mr. Oakley's Subcommittee on Requirements.

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4 January 1962

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[REDACTED] on the Subcommittee on Industrial Machinery and Equipment:

Thinks it would be a mistake to alter radically or eliminate the Subcommittee. Membership of Subcommittee would ^{continue to} be satisfactory if DIA and OSD, plus the civilian agencies and departments were represented. Believes the Subcommittee has justified its existence by (1) knocking out an unnecessary project (assigned to

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[REDACTED] that would have cost [REDACTED] and (2) pooling the information of its members to appraise the value of the proposed exchange programs in the field of industrial machinery.

~~SECRET~~

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Aide Memoire

Talk with [REDACTED] about his Working Group
on Sino-Soviet Bloc Economic Activities in Underdeveloped Areas

As the Working Group is presently constituted, Air Force and Navy are unrepresented (Air Force long ago decided it was unable to participate and [REDACTED] recently transferred to Current Intelligence in DIA). Baxter Wood from Army is a valuable member of the Group and if he were to drop out as a result of DIA's absorption of Army Intelligence it would be a substantial loss. 25X1A9a

The recent State Department contributions to both the Bi-weekly and Semiannuals lack the competence and depth that existed before the reorganization of State. According to Roy, there is no room for doubt about the deterioration of State's recent contributions. This opinion was emphatically underlined by [REDACTED]. I realize that for one reason or another most people in the Government are looking for more bodies but there doesn't seem to be any question but that State's abdication of its former responsibility in economic intelligence has left an analysis vacuum. 25X1A9a

One of the questions that General Balmer's office will pose is whether or not the work now carried on by interdepartmental committees could not be done better and more efficiently in one agency. When I presented that question to the CIA members of the WG the answer was: yes, it could be done more efficiently in one agency but not better. Forrest of AID and Rubin of Commerce are not contributors of information but are effective critics; Baxter Wood has been an effective member of the committee, and Van Sant of OSD does nothing to impede progress. The Working Group may need, as indicated, some augmentation but it is basically a sound way of producing the Biweekly and Semiannual.